COUNCIL POLICY

CURRENT

SUBJECT: PROCUREMENT LIMITATIONS ADJUSTMENTS BASED ON THE CONSUMER

PRICE INDEX

POLICY NO.: 100-13

EFFECTIVE DATE: December 12, 1994

BACKGROUND:

San Diego City Charter sections 28, 35 and 94 authorize and provide for the purchases of materials, supplies, equipment, non-professional services and contracts for public works and consultant services required by the various departments or offices of the City within procurement limitations established by the City Council. It is the intent of this policy to establish a standard for allowing said procurement limitations to keep up with the rate of inflation.

PURPOSE:

To establish and provide a standardized procedure for using the San Diego Consumer Price Index to adjust the dollar figures for procurement limitations in the San Diego Municipal Code related to purchases and contracts for public works and consultant services.

DEFINITIONS:

<u>Purchasing</u> - The acquisition of materials, supplies, equipment and non-professional services.

<u>Public Works</u> - The erection, construction, alteration, repair or improvement of any public structure, building, road or other improvement of public realty of any kind.

CONSULTANT SERVICES:

Architectural and engineering (A & E) and related professional services or non-A & E professional services.

POLICY:

It shall be the policy of the City for the City Manager to submit to Council for consideration, when deemed appropriate, amendments to the San Diego Municipal Code using the San Diego Consumer Price Index (CPI), as published by the United States Department of Labor, to adjust dollar figures related to purchase limitations regarding purchases and contracts for public works and consultant services.

Each proposed dollar figure adjustment shall reflect an increase no greater than the sum total of the annual San Diego Consumer Price Index Changes from the date the purchase limitations dollar figure was adopted in the San

CITY OF SAN DIEGO, CALIFORNIA COUNCIL POLICY



Diego Municipal Code or from a base year commencing January 1, 1994, whichever date is most current. The proposed adjustments shall occur in increments of \$1,000.

The provisions of this Council Policy do not preclude the City Manager from proposing changes to purchases and contracts for public works and consultant services related purchase limitations in the San Diego Municipal Code based on other justifiable reasons.

HISTORY:

"Transient Occupancy Tax Funds"
Adopted by Resolution R-271994 09/26/1988
Rescinded by Resolution R-279227 01/06/1992
(Now included in 100-03)

"Procurement Limitations Adjustments Based on the Consumer Price Index" Amended by Resolution R-285122 12/12/1994